

## **WARREN COUNTY BOARD OF SUPERVISORS**

COMMITTEE: **FINANCE**

DATE: **DECEMBER 7, 2011**

**Committee Members Present:**

Supervisors      Thomas  
                         Taylor  
                         Goodspeed  
                         Belden  
                         VanNess  
                         Kenny  
                         Merlino  
                         Conover

**Committee Member Absent:**

Supervisor      Monroe

**Others Present:**

Daniel G. Stec, Chairman of the Board  
Paul Dusek, County Administrator  
Joan Sady, Clerk of the Board  
Kevin Geraghty, Budget Officer  
Supervisor Loeb  
Supervisor Strainer  
Supervisor Wood  
Rob Lynch, Deputy Treasurer  
Bob Iusi, Director, Probation  
Mary Gallagher, Auditor  
Julie Pacyna, Purchasing Agent  
Jeff Tennyson, Superintendent, Public Works  
Suzanne Wheeler, Deputy Commissioner,  
                         Department of Social Services (DSS)  
Julie Montero, Fiscal Manager, DSS  
Mike Swan, Director, Real Property Tax Services  
Bud York, Sheriff  
Mike Gates, Captain, Corrections  
Don Lehman, *The Post Star*  
Thom Randall, *Adirondack Journal*  
Nicole Livingston, Deputy Clerk

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Mr. Thomas called the meeting of the Finance Committee to order at 11:04 a.m.

Motion was made by Mr. VanNess, seconded by Mr. Merlino and carried unanimously to approve the minutes of the November 9, 2011 Committee meeting, subject to correction by the Clerk of the Board.

Copies of the Finance Agenda were provided to the Committee members, and a copy of same is on file with the minutes.

Commencing the Action Agenda review, Mr. Thomas stated Item 1 were the requests for Transfer of Funds which were attached for Committee approval. He noted that Supervisory Committee approval had been obtained as necessary.

Motion was made by Mr. Goodspeed, seconded by Mr. Taylor and carried unanimously to approve Item 1 as outlined above. The necessary resolution was authorized for the next board meeting.

Mr. Thomas advised Items 2A and B were referrals from the County Treasurer. Item 2A, he said, was a request to amend the 2011 County budget to increase estimated

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revenues and appropriations in the amount of \$2,464,558 to reflect receipt of proceeds from the sale of the Hudson Falls Waste Disposal and Electric Generation Facility and receipt of the excess bond funds from the Trustee.

Motion was made by Mr. VanNess, seconded by Mr. Conover and carried unanimously to approve Item 2A as outlined above. The necessary resolution was authorized for the next board meeting.

Mr. Thomas added Item 2B was a request to amend the 2011 County budget to increase estimated revenues and appropriations in the amount of \$900,000 to transfer the operating surplus to the General Fund.

Motion was made by Mr. VanNess, seconded by Mr. Kenny and carried unanimously to approve Item 2B as outlined above. The necessary resolution was authorized for the next board meeting.

Mr. Thomas asserted Item 3 was a referral from the Community College Committee, requesting authorization of payments to SUNY Adirondack for the year 2012 for the sum of \$1,781,326 as follows:

January 2012 - \$593,776

April 2012 - \$593,775

July 2012 - \$593,775.

Motion was made by Mr. Conover, seconded by Mr. Belden and carried unanimously to approve Item 3 as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas stated Item 4 was a referral from the County Clerk-Motor Vehicles Committee, requesting a new contract with Brown's River Marotti Company to perform conservation services on selected 19<sup>th</sup> century court and census record books, commencing December 19, 2011 and terminating six months after commencement, for a total amount of \$3,690.

Motion was made by Mr. Kenny, seconded by Mr. Conover and carried unanimously to approve Item 4 as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas noted Item 5 was a referral from the Criminal Justice Committee, Probation, requesting to utilize funds in the Reserve for Probation (Custody Fee Investigations) to purchase a new server and related software to handle upgrades to the caseload management system, in the amount of \$10,600.

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Motion was made by Mr. VanNess, seconded by Mr. Goodspeed and carried unanimously to approve Item 5 as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas apprised Items 6A and B were referrals from the Health Services Committee. Item 6A, he said, was referred from Health Services, requesting to amend the 2011 County budget to increase estimated revenues and appropriations in the amount of \$4,238 to reflect receipt of a one time ARRA Grant from the New York State Department of Health (NYS DOH) to purchase supplies and equipment for the Immunization Program.

Motion was made by Mr. Conover, seconded by Mr. Merlino and carried unanimously to approve Item 6A as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas added Item 6B was referred from Westmount Health Facility, requesting to close Capital Project No. H270.9550 280 Air Handler Installation (Westmount Health Facility).

Motion was made by Mr. Taylor, seconded by Mr. VanNess and carried unanimously to approve Item 6B as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas remarked that Item 7 was a referral from the Public Safety Committee, Fire Prevention & Building Code Enforcement, requesting a Contingent Fund Transfer in the amount of \$3,000 to Code A.3620 442 Building & Fire Code-Automotive- Gas & Oil, due to an anticipated shortage from additional staff and higher prices than anticipated.

Motion was made by Mr. VanNess, seconded by Mr. Conover and carried unanimously to approve Item 7 as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas directed the Committee members to the Addendum attached to the Agenda from the Public Safety Committee and noted Items 1A through C were referrals from the Sheriff & Communications. Item 1A, he said, was requesting a Transfer of Funds within various codes in the amount of \$80,000 to correct a shortfall. He stated Item 1B was requesting a Contingent Fund transfer in the amount of \$59,000 to Code A.3150 110 Sheriff's Correction Division Salaries-Regular, to correct a shortfall. He added Item 1C was requesting \$55,000 from Unappropriated Surplus.

Paul Dusek, County Administrator, explained all Departments had been requested to clean up their budget lines for the end of the year, to resolve any shortfalls. He further

stated that the Sheriff's Office had been struggling with overtime throughout the year, due in part to revenues being less than what was projected. He informed that the cumulative shortfall was approximately \$114,000 and the requests outlined would achieve the necessary action to resolve the shortfalls in specific budget lines. Mr. Dusek noted that the Unappropriated Surplus fund was healthy for this year and he recommended appropriating \$55,000 from that fund into the Sheriff's departmental budget. He expounded that the Sheriff had proposed new measures to control overtime costs for next year, including being able to fill positions within the Corrections Division right away in order to avoid additional overtime.

Following discussions, motion was made by Mr. Belden, seconded by Mr. VanNess and carried unanimously to approve Addendum Items 1A through C as outlined above, and the necessary resolutions were authorized for the next board meeting.

Mr. Thomas advised Items 8A through D were referrals from the Public Works Committee. He noted Items 8A through C were referred from the Airport. Item 8A, he said, was a request to close out Airport Reserve for Planning and Improvements.

Motion was made by Mr. VanNess, seconded by Mr. Conover and carried unanimously to approve Item 8A as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas referenced an additional request for the Airport, which was a request to close four Airport Capital Projects and to return any remaining funds to the original source of funding as follows: No. H210.9550 280 Self Fueling Facility; No. H231.9550 280 Acquire Airport Snow Equipment; No. H240.9550 280 Airport Environmental Assessment; and No. H287.9550280 T Hangar Access Taxiway.

Motion was made by Mr. VanNess, seconded by Mr. Conover and carried unanimously to approve the request to close four Airport Capital Projects and to return any remaining funds to the original source of funding as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas advised Item 8B was a request to establish an Airport Reserve Fund for repair, upgrade, replacement, new installation and expansion projects, with the initial source of funding to be the remainder of funds liquidated from the existing reserve for Airport Planning and Improvement.

Motion was made by Mr. VanNess, seconded by Mr. Conover and carried unanimously to approve Item 8B as outlined above, and the necessary resolution was authorized for the next board meeting.

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Mr. Thomas noted Item 8C was a request to establish Capital Project No. H330.9550 280 Airport Terminal Roof, in the amount of \$150,000, for all expenses related to the removal and replacement of the Airport terminal roof, with the source of funding to be the liquidated Reserve Fund for Airport Planning and Improvement.

Motion was made by Mr. Belden, seconded by Mr. Conover and carried unanimously to approve Item 8C as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas stated Item 8D was referred from DPW, requesting to increase Capital Project No. H327.9550 280 Tropical Storm Irene in the amount of \$300,000, for reconstruction expenses, with the source of funding to be 75% Anticipated FEMA reimbursement in the amount of \$225,000 and 25% local share in the amount of \$75,000.

Motion was made by Mr. Conover and seconded by Mr. Belden to approve the request as presented.

Mr. Belden questioned the State's share, noting it should be 12.5% and the local share should only be 12.5% as opposed to 25%. Jeff Tennyson, Superintendent of Public Works, responded that was the initial understanding; however, he added, the County had not received a written commitment from the State and the local share amount could be reduced if the State committed funding for such. Mr. Dusek asked if the funding to cover the 25% local share was included in the budget and Mr. Tennyson replied that when the Capital Project was established, funding in the amount of \$400,000 was utilized from an interfund advance. Mr. Dusek advised that he would determine the source of funding for the 25% local share prior to the board meeting.

Mr. Thomas called the question and the motion was carried unanimously to approve Item 9D as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas reported Items 9A through F were referrals from the Support Services Committee. Items 9A and B, he said, were referred from the Board of Elections, and Item 9A was requesting authorization for the two Commissioners and the two Deputy Commissioners to attend the Election Commissioner's Association New York State Board of Elections Winter Conference in Ithaca, NY from January 17, 2012 through January 20, 2012 at a cost of \$538 per person.

Motion was made by Mr. Goodspeed, seconded by Mr. Kenny and carried unanimously to approve Item 9A as outlined above, and the necessary resolution was authorized for the next board meeting.

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Mr. Thomas added Item 9B was a request for a resolution requesting that the State move its Primary Election to June to coincide with the Federal Primary held in June. Mr. Dusek read the memo included in the Agenda packet from the Election Commissioners' Association of the State of New York, which detailed the request, a copy of which is on file with the minutes.

Motion was made by Mr. VanNess, seconded by Mr. Belden and carried unanimously to approve Item 9B as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas noted Item 9C was referred from the Clerk of the Board, requesting a Contingent Fund transfer in the amount of \$20,000 to Code A.1185 435 Medical Examiner & Coroners-Medical Fees, due to a shortfall.

Motion was made by Mr. Belden, seconded by Mr. Kenny and carried unanimously to approve Item 9C as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas apprised Item 9D was referred from the County Administrator, requesting to establish a petty cash fund in the amount of \$25 for the Mailroom to pay for return postage due from time to time.

Motion was made by Mr. Belden, seconded by Mr. Merlino and carried by a majority vote, with Mr. VanNess abstaining, to approve Item 9D as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas remarked Item 9E was referred from the Auditor, requesting a Contingent Fund transfer in the amount of \$2,560 to Code A.1320 810 County Auditor-Retirement, due to retirement funds not being allocated for the Audit Clerk position.

Motion was made by Mr. Kenny, seconded by Mr. VanNess and carried unanimously to approve Item 9E as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas added Item 9F was referred from Purchasing, requesting a Contingent Fund transfer in the amount of \$16,000 to Code A.1345 470 Purchasing-Contract, per resolution No. 534 of 2011.

Mr. Dusek explained Resolution No. 534 of 2011 authorized a contract with Aeon Nexus and the Resolution stated that the funding for such would be a Contingent Fund transfer upon receipt of the report from Aeon Nexus because it was anticipated that the report would be completed prior to the end of 2011; however, he said, the report would not be provided until early 2012.

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Motion was made by Mr. Conover, seconded by Mr. Taylor and carried unanimously to approve Item 9F as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas informed Item 10 was a request to authorize payment to the Treasurer of the Warren County Soil & Water Conservation District in the amount of \$284,000.

Motion was made by Mr. Conover, seconded by Mr. Goodspeed and carried unanimously to approve Item 10 as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas announced Item 11 was for Finance Committee action which was required on the following items as approved by the Personnel Committee: Item Nos. 4A, 5 and 6A.

Motion was made by Mr. Conover, seconded by Mr. Belden and carried unanimously to approve Item 11 as outlined above.

Mr. Thomas referred to Item IV. Topics to be reported on/discussions/updates and noted Items 1A through D, were requests from Paul Dusek, County Administrator, to address the Committee. Item 1A, he said, was for a discussion on the continuation of the Digital Duplicator Lease.

Mr. Dusek explained that he was requesting authorization to continue the Digital Duplicator lease, effective for the Organization Meeting in January. He further stated that in the process of closing the Print Shop, all of the leased equipment was returned; however, he continued, it had been determined that the Digital Duplicator was still needed, due to the number of duplicate and triplicate forms that were necessary for certain departments, and it would be at a cost of approximately \$3,000 for the year. He added that half of the cost would be covered by department revenues and the other half would most likely need to come from the Contingent Fund in January.

Motion was made by Mr. Belden, seconded by Mr. Conover and carried by a majority vote, with Mr. VanNess abstaining, to authorize the continuation of the Digital Duplicator lease as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas apprised Item B was a request to amend Resolution No. 534 of 2011, Authorizing Agreement with Aeon Nexus Corporation for County Spend Assessment, as previously discussed.

Motion was made by Mr. Belden, seconded Mr. Taylor and carried unanimously to amend Resolution No. 534 of 2011 to remove the wording "upon receipt of an invoice

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from Aeon Nexus Corporation”, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas remarked Item C was a request for a one month extension of Perkin’s Recycling Lease. Mr. Dusek informed that the lease was set to expire on December 31, 2011 and they had requested an additional months extension. He noted that he recommended this extension because it was an \$8,000 payment to the County and currently there was not another tenant that would be ready to lease the property in January.

Motion was made by Mr. Belden, seconded by Mr. Taylor and carried unanimously to authorize a one month extension of Perkin’s Recycling Lease, and the necessary resolution was authorized for the next board meeting.

Mr. Thomas commented that Item D was a review of the Corrective Action Plan, Unassigned Fund Balance Policy and GASB Fund Balance Policy.

Mr. Dusek noted he had emailed the documents attached in the Agenda to the Committee members for their review. He added that this was a follow-up to the County’s audit report. He explained that the County should adopt a policy with regard to the Unassigned Fund Balance, and as part of the budget for 2012 that balance had been rebuilt sufficiently, to approximately \$7 million to \$8 million. He apprised that adoption of said policy meant that the County recognized there were limits as to where the Fund Balance should be and this policy proposes a Fund Balance of 5% as a low and 10% as a high, or \$6 million to \$12 million. Mr. Dusek expounded this plan would provide fiscal stability for the County and would also enhance the credit worthiness of the policy. He stated that this also required the County, as a corrective action measure, to undertake multi-year planning and would start the County on a modest initial approach of three years. He opined that multi-year planning would assist in the budget process tremendously and would assist in major policy decisions, as well. Mr. Dusek strongly recommended the approval of these plans and policies and if approved by the board, a letter would be sent to the State Comptroller’s Office. He referenced the attached GASB Fund Balance Policy and noted this policy related to the others he previously discussed.

Motion was made by Mr. Conover, seconded by Mr. Goodspeed and carried unanimously to approve and accept the Corrective Action Plan, Unassigned Fund Balance Policy and the GASB Fund Balance Policy as outlined above, and the necessary resolutions were authorized for the next board meeting.

Motion was made by Mr. VanNess, seconded by Mr. Mr. Belden and carried unanimously to adopt the Fund Balance Policy in accordance with the GASB Statement No. 54, and the necessary resolution was authorized for the next board meeting.



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Mr. Thomas advised Item 2 was the response to the Budget Analysis Report from the County Treasurer as prepared by the County Administrator, and was attached for review.

Prior to adjourning, Mr. Dusek informed he had an additional matter to discuss. He referred to a program that the County had in which it provided wood through the Salvation Army and the Tri-County United Way to people in need that qualified through financial guidelines; however, he said, due to budgetary constraints and lack of manpower, he suggested that the County cease participation in said program. He stated that he was informed that the wood was not in good condition, but some towns may be able to utilize it for independent building burners.

Motion was made by Mr. VanNess, seconded by Mr. Goodspeed and carried unanimously to abolish the program and to offer the wood to the towns if they were interested.

There being no further business to come before the Committee, on motion made by Mr. Belden and seconded by Mr. Conover, Mr. Thomas adjourned the meeting at 12:10 p.m.

Respectfully submitted,

Nicole Livingston, Deputy Clerk